



**STATE BOARD OF EQUALIZATION**

(916) 322-6083

December 31, 1975

Office of the --- and ---  
The City of --- ---  
XXX --- Street  
--- ---, CA XXXXX

SR -- XX XXXXXX

Attention: Mr. S--- J---  
Accounting Division Supervisor

Gentlemen:

This is in reply to your letter dated December 23, 1975, addressed to Mr. Gary J. Jugum, regarding tax applicable to sales to you of ferric chloride for treating drinking water.

We understand that ferric chloride is used by your Water Quality Division as a coagulant or flocculant. The greater portion remains in solution.

Sale of ferric chloride for this purpose is not subject to tax.

We have previously held that sales of aluminum sulphate, ferric sulphate, and potassium aluminate used for the same purpose are exempt from tax. See Business Taxes Law Guide Annotations 440.2300, March 25, 1965; 440.2380, September 16, 1965; and 440.2420, April 22, 1966.

Very truly yours,

H. L. Cohen  
Legal Counsel

HLC:js